



OFFICE OF
CHIEF COUNSEL

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

MEMORANDUM FOR: Steve Musher
Acting Associate Chief Counsel (International)

FROM: Matthew W. Frank, APA Program Director

DATE: February 7, 2006

SUBJECT: APA Quarterly Report for FY 2006,
First Quarter Ending 12/31/05

The following are the APA Program's results for the First quarter of FY 2006 ("Q1").

APAs Completed

The APA Program completed 16 APA matters in Q1, consisting of 7 bilateral APAs and 9 unilateral APAs.

Negotiating-Position Papers

The APA Program completed 12 bilateral negotiating position papers in Q1

Annual Reports

The APA Program completed its review of and closed 32 annual reports in Q1

New Matters


The APA Program received 20 new APA matters in Q1, including 18 bilateral and 2 unilateral APAs. There were 2 withdrawals during Q1.

APA Inventory

The APA Program has an ending inventory of 242 open matters.¹ This consists of 196 bilateral and 46 unilateral matters.²

Attached for your information is the APA issuance report and open inventory reports as of December 31, 2005. Please contact me at (202) 435-5222 if any additional information is required.

Respectfully submitted,

 February 7, 2006
Matthew W. Frank
APA Program Director

Attachments

cc: LMSB Commissioner
Director, International
National Director of Appeals
LMSB Division Counsel

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1. This equals beginning Q1 inventory of 240 matters, plus 20 receipts, less 16 closures and 2 withdrawals { $240 + 20 - 16 - 2 = 242$ }.
 2. The 242 open matters include 18 pending dollar filings (14 bilateral and 4 unilateral). Thus
 - The APA Program has an inventory of 224 active cases, i.e., 242 open matters less 18 pending dollar filings.
 - The 224 active cases consist of 182 bilateral cases (196 total bilateral matters less 14 pending bilateral dollar filings) and 42 unilateral cases (46 total unilateral matters less 4 pending unilateral dollar filings).
 - The APA Program has forwarded 83 of the 182 active bilateral matters to Competent Authority. Thus, the APA Program has a current working inventory of 141 cases, consisting of 99 bilateral (182 active bilateral cases less 83 forwarded to Competent Authority) and 42 active unilateral cases.